

TENNESSEE TANF (FAMILIES FIRST) - MARCH 2011 SAMPLE
SUMMARY AND ANALYSIS OF ENGAGEMENT IN ADDITIONAL ACTIVITIES

Tennessee opted to gather information for the Report on Engagement through a combination of automatic and manual processes. In early April, after randomly selecting 175 cases from each of the TANF and MOE records, we generated a file through our Federal Reporting process which identified work eligible individuals and populated information on work activities and exemptions. Cases with no activity and no apparent reason for it were then researched manually.

From the 350 individuals initially selected as work-eligible, an additional 153 individuals were included as a second work-eligible adult in the case, bringing the sample total to 503. The relatively high number of two-adult families is a result of sampling an equal number of TANF and MOE cases per federal instruction. Our MOE file contains the bulk of our two-parent families, but represents less than 2% of our caseload.

Tennessee reports all assigned activities, and does not refer clients to non-countable activities. Work Activity Contractors are closely monitored to ensure proper verification is on file. Consequently, several items on the Engagement Report do not apply.

57 individuals (11.3%) were identified within the federal reporting process as fully participating. An additional 150 (29.8%) were identified as having some, but not sufficient, activity hours. 28 individuals had hours entered between the time the report was run and the cases were researched. And, because additional activity hours may have been added between the sample date and the submission of quarterly files, some additional individuals may have actually been participating fully. In all, 46.7% of the sample had at least some work activity. The remaining 296 individuals (58.8% of the total sample) showed no work activity at the point the report was run. The chart and discussion beginning on the following page addresses those with no activity reported.

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| STATUS | # | % |
|-----------------------------------------------------------|------------|--------------|
| Fully Participating | 57 | 11.3% |
| Some hours, insufficient to count in WPR numerator | 150 | 29.8% |
| Hours identified after report was run | 28 | 5.6% |
| No hours | 268 | 53.2% |
| a) First month on assistance | 17 | 6.3% |
| b) Assigned activity not yet begun | 12 | 4.5% |
| c) Agency failed to engage client | 13 | 4.9% |
| d) Relocating to new jurisdiction | 2 | 0.7% |
| e) Disregarded from participation rate | 39 | 14.6% |
| f) State exempt with child under 1 | 7 | 2.6% |
| g) In sanction process | 38 | 14.2% |
| h) State exempt – ill or disabled individual | 46 | 17.2% |
| i) State exempt – ill or disabled family member | 1 | 0.4% |
| j) Other State Exemption | 27 | 10.1% |
| k) Other | 66 | 24.6% |

The following is a discussion of the principal reasons for non-participation:

a) First month on assistance

These result from inevitable administrative operations. Note that in any given month, approx. 7.5% of the caseload “turns over,” creating the need to assess and engage a significant number of participants, usually between 4,500 and 5,000 per month.

b) Assigned activity not yet begun

These also result from inevitable administrative operations.

c) Agency failed to engage client

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The 13 individuals the agency has failed to engage represent nine cases. These have been brought to the attention of the responsible field staff for investigation and engagement if appropriate.

d) Relocating to a new jurisdiction

e) Disregarded from participation rate

39 individuals met a federal exemption that allows them to be disregarded from the WPR. This include single parents with children < 1 year old (who and had not used 12 months of exemption), and individuals caring for a disabled relative in the home.

f) State exempt with child under 1

Seven individuals were exempted from work activities because they are a single parent with a child under age one but had exhausted their allowable time (12 months) for the federal disregard.

g) In sanction process

In the first 6 months of FFY 2011, an average of 1640 TANF households per month had a full-family sanction imposed for failure to comply with work requirements. The sanction process can be time consuming; first the agency that is attempting to engage the individual must attempt to determine if there was good cause for non-compliance. Then, depending on the time of the month the sanction is imposed, the case may remain open for an additional month in order for notice of adverse action to be delivered timely. Throughout that process, the TANF client is unengaged in work activities.

h) State exempt – ill or disabled individual

TANF recipients deemed temporarily incapacitated or disabled by a Medical Evaluation Unit are exempt from work requirements, but remain in the WPR denominator. Documentation of the individual's illness/injury is sent to a special unit in Central Office staffed in part by Registered Nurses to determine whether the individual should be exempted, and whether the disability is temporary or permanent. Statewide, in the month of March, 1523 individuals were identified as having a permanent disability, and 3801 to have a temporary medical condition precluding full-time work activities.

i) State exempt – ill or disabled family member

j) Other State exemption

The majority of the 27 individuals with an "other state exemption" were reported as having a temporary life crisis precluding engagement. This group includes TANF recipients who have

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been identified through an initial screening as individuals who may require an accommodation in order to successfully comply with the program. While additional assessment is conducted, they are designated in this fashion. The state also exempts one parent in a two parent case when there is an infant under 16 weeks, and two individuals had received this exemption.

k) Other

A relatively large number of cases had zero activity hours for reasons not captured above:

- Thirty nine of these involved a case in the process of closing for a non-sanction reason. This might occur when a case is closed after an adverse action cut-off. For instance, a client may have been successfully engaged in February, but requested to have their case closed that month. If the issuance of March TANF benefits has already occurred, the case will be part of the WPR denominator that month, but the client will be under no obligation to participate in activities, or, a client reports earlier in the month that they want their case to close, and therefore the Department makes no effort to attempt to engage. In one case, the client had left the state, and in another the individual was deceased. In six cases, the client no longer had children in the home who met the state's deprivation requirement, and thus action was being taken to close the case. Eight individuals had requested case closure.
- The sample also included some individuals who should not have been coded as work eligible at all. We are adjusting our federal reporting program to code them correctly. They include the following groups:
 - Fifteen individuals without a valid Social Security Number, all of whom were undocumented parents receiving benefits for their citizen children.
 - One individual was miscoded, is actually an SSI parent, and should not have been included in the sample
- Four individuals were being served with Refugee funds. Refugees on Tennessee's TANF program are referred to a special work activity contractor who is not obligated to report activity hours.
- In addition, three individuals had been denied, and had never received TANF benefits. The individuals had been associated with an open case in the past, but had left the household. We are investigating our reporting code to determine how this happened.
- The remaining four cases were individuals who were between activities or working for in-kind remuneration.

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Analysis of Participants with Insufficient Activities to Count in WPR Numerator

Of the clients with insufficient activities, 56.7% had one activity, 34.7% were in two activities, while the remaining 8.7% had hours in three or four activities. The average hours in activities for this group was 96.7. The number and percentage of individuals in each activity is detailed below:

| ACTIVITY | INDIVIDUALS | PERCENTAGE | AVERAGE HOURS |
|---------------------------------|-------------|------------|---------------|
| Unsubsidized employment | 69 | 46.0% | 88.5 |
| Work Experience | 2 | 1.3% | 49.5 |
| Job Search / Job Readiness | 41 | 27.3% | 41.6 |
| Community Service | 33 | 22 | 56.7 |
| Vocational Education | 38 | 25.3% | 89.1 |
| Job Skills Education | 36 | 24% | 27.0 |
| Education Leading to Employment | 13 | 8.6% | 28.3 |

Insufficient work hours could result from a number of situations beyond client non-cooperation. Our Federal Reporting system does not pro-rate activity requirements in months when an individual begins or exits TANF. Consequently, an individual may begin a full-time work activity in the middle of a month while having, for Federal Reporting purposes, a full month of work requirement hours. Holidays which are not allowed for TANF may close a work site or educational facility, causing a deficit of hours for the month. In addition, Tennessee allows some individuals to operate under a modified work plan with fewer hours. Eligibility for a modified work plan is handled through the Medical Evaluation Unit, using the process described below.

Of the 150 people with insufficient activity hours, 39 had activity that could not be counted due to statutory limits. 26 attended Job Search, and 13 Vocational Education.

Assessing the data for potential to improve client engagement yields five logical categories of individuals not meeting their work requirement, found in the table below. It is unknown why individuals with insufficient hours failed to complete their assigned hours, so these 178¹ clients are included in two categories – “Case in transition” and “Insufficient work effort.”

¹ The total includes individuals found with hours in the manual process. Some may have sufficient hours, and some of the 150 initially identified with insufficient hours may later have been reported with enough hours.

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| REASON FOR NON-PARTICIPATION | NUMBER | PERCENT OF TOTAL |
|------------------------------------------|---------------------|------------------|
| No Eligible Adult / Failure to Disregard | 62 | 12.3% |
| Case in transition | Between 112 and 290 | 22.3% to 57.7% |
| Insufficient Work Effort by Client | Up to 178 | 0% to 35.4% |
| State policy (exemptions) | 81 | 16.1% |
| Agency Failure | 13 | 2.6% |

Barring changes to state policy, the state has limited ability to increase its work participation rate. Improving casework could affect as many as 178 individuals through increasing their work effort and/or insuring statutory limits on Job Search and Vocational Education are not exceeded. The agency can certainly affect the 13 individuals we failed to engage. Fixing our Federal Reporting process to accurately exclude ineligible adults is also within our control. In a best case scenario, where all individuals with insufficient work activity could be moved to full engagement, it would be possible to reach a Work Participation Rate of 61.6%. In a worst case scenario, where none of the individuals can be fully engaged due to transitional issues, the highest possible Work Participation Rate in this sample is 26.2%. The reality is undoubtedly somewhere in the middle, posing significant challenges to meeting a 50% Work Participation Rate.